



March 24, 2014 sent via e-mail

Northwest Territories Water Board P.O. Box 2531 Inuvik, NT X0E 0T0

Attention: Executive Director

Dear Sir:

Re: Water Licence N7L1-1828

Annual Water Report 2013 for MGM Energy Corp. Cuttings & Fluids

Injection Facility at Aput C-43

Our File: 18-0706

In accordance with Part B, Item 4 of the Water Licence N7L1-1828, please find enclosed the MGM Energy Corp. Cuttings & Fluids Injection Facility at Aput C-43 Project Annual Report for 2013.

This report covers the period from January 1 – December 31, 2013. The following summarizes the information as required in Part B, Item 4 of the Licence.

- 1a) the total quantity in cubic meters of fresh Water obtained from each Water source(s); There was no field activity conducted in this reporting period, therefore the quantity is 0 m³.
- 1b) the total quantities in cubic meters of each and all Waste discharged; There was no field activity conducted in this reporting period, therefore the quantity is 0 m³.
- the daily, monthly and annual quantities of drill cuttings and fluids injected at the Cuttings and Fluids Injection Facility; **There was no field activity conducted in this reporting period, therefore the quantity is 0 m³.**
- 1d) the location and direction of flow of all Waste discharged to Waters or the land; There was no field activity conducted in this reporting period, therefore no waste discharged to the land or water.
- 1e) an itemized list indicating the names and quantities of all Drilling Fluid additives used; **There was no activity during this reporting period.**

- 1f) a summary of Modifications carried out on the Water Supply and Sewage Treatment Facility, and the Cuttings and Fluid Injection Facility; **There was no activity during this reporting period.**
- 1g) details on the abandonment and restoration of any structures at the Cuttings and Fluid Injection Facility; **There was no activity during this reporting period.**
- 1h) a list of spills and unauthorized discharges; There was no field activity conducted in this reporting period, therefore no spills or unauthorized discharges to report.
- 1i) results from this Water Licence monitoring programs; A Water Licence monitoring program was not conducted as there was no field activity.
- any other details on Water use or Waste disposal requested by the Board within forty-five (45) days before the final report is due. There was no field activity conducted in this reporting period, therefore no results to report and no additional information was requested by the Board.

Should you have any questions or concerns with this report, please contact shirley.maaskant@mgmenergy.com or 403-781-7840.

Yours truly,

MGM Energy Corp.

Susan Sevcenko

Susan Swal

Regulatory & Surface Land Administrator

Cc Water Resource Management Officer, AANDC